

# Changing Military Needs: Policy and Funding Considerations

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## OVERVIEW

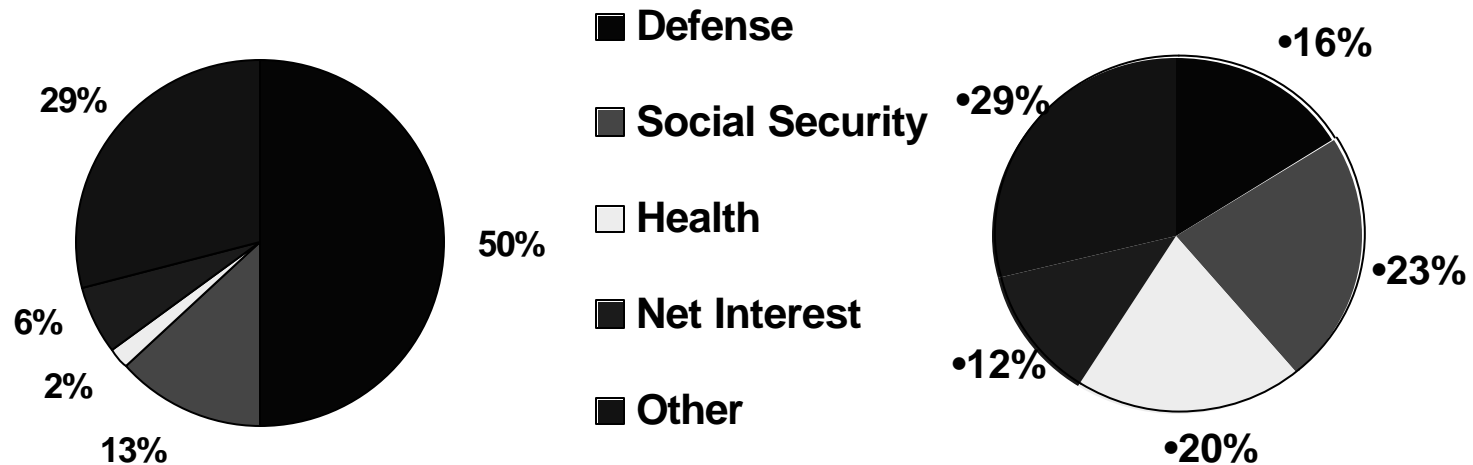
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- Changing Military Needs
  - Competing National Priorities
  - Competing Defense Priorities
  - Competing Weapons Priorities
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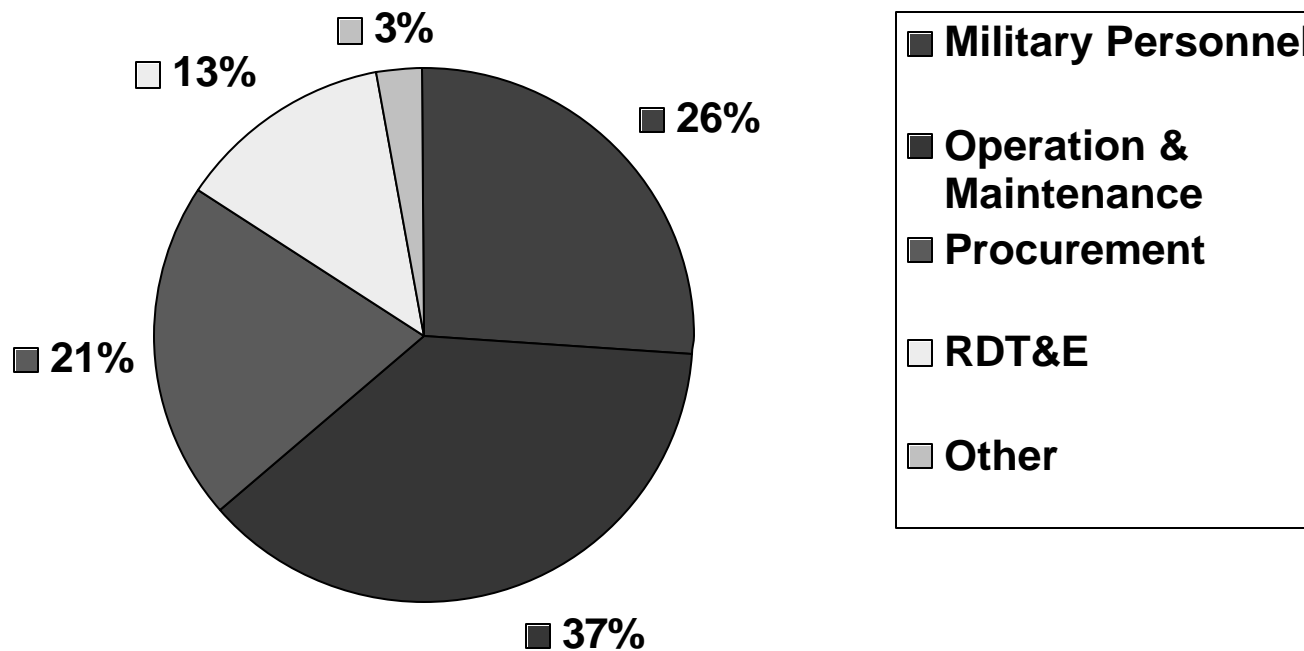
# Competing Demands For: Federal Spending

**Fiscal Year 1962**

**Fiscal Year 2000**



## Competing Demands For: DOD Funding (Fiscal Year 2001)



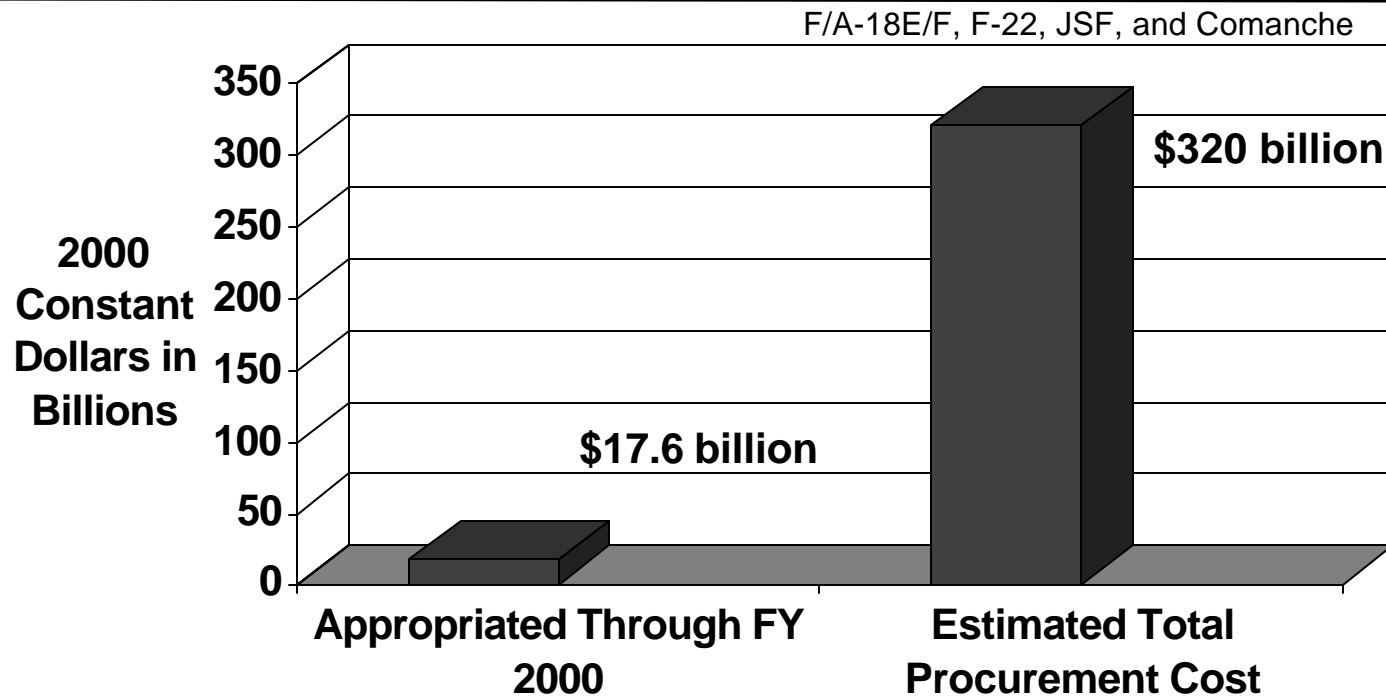
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## **Competing Demands For: Modernization Funding**

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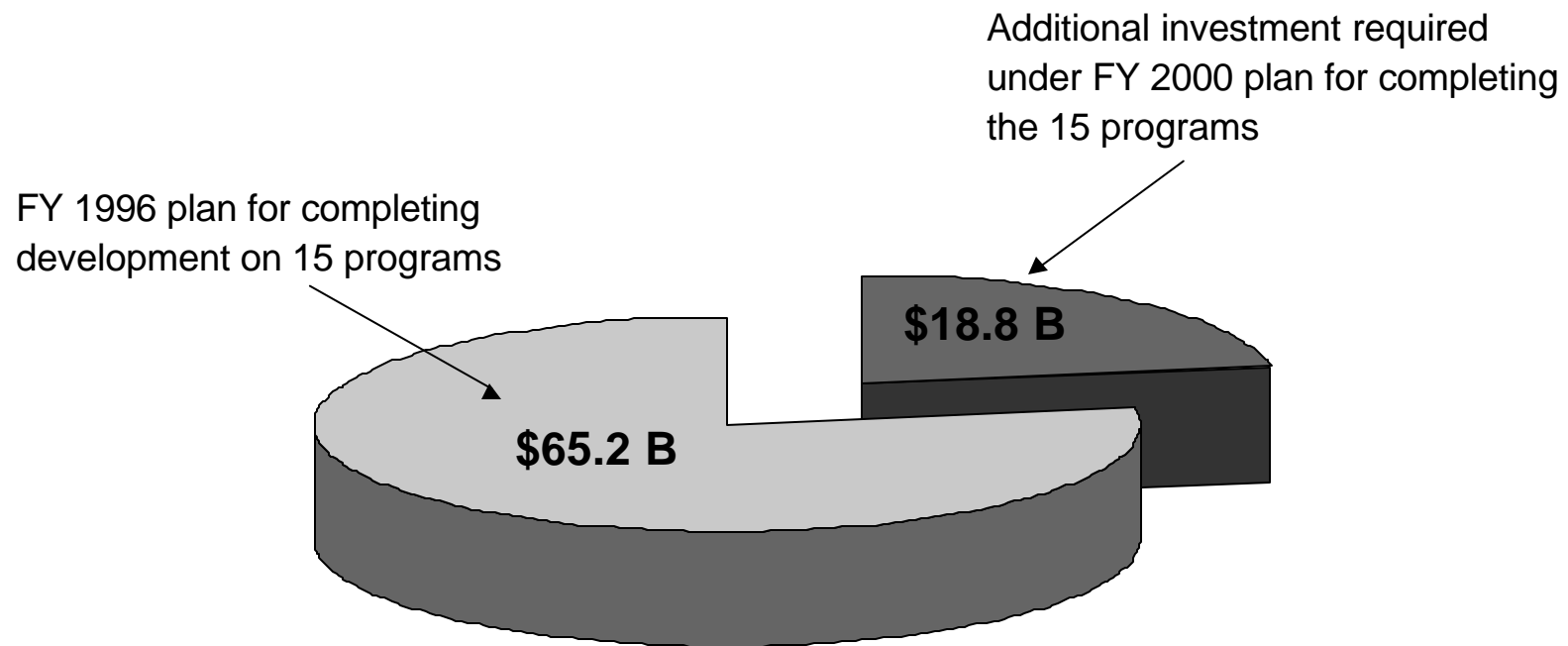
- Funding Bow Wave for Major Programs
  - Program Cost Projections Understated
  - Industrial Base Demands
  - Political Demands
  - Legacy System Demands
  - Transformation Demands
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# Procurement Funding Bow Wave



Source: GAO's analysis of data from DOD's Selected Acquisition Reports.

# Program Cost Projections Understated



Source: Selected Acquisition Report data on 15 weapon systems with the highest R&D budget requests for FY 2000-1

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# Industrial Base Demands

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- Shipbuilders



- Munitions

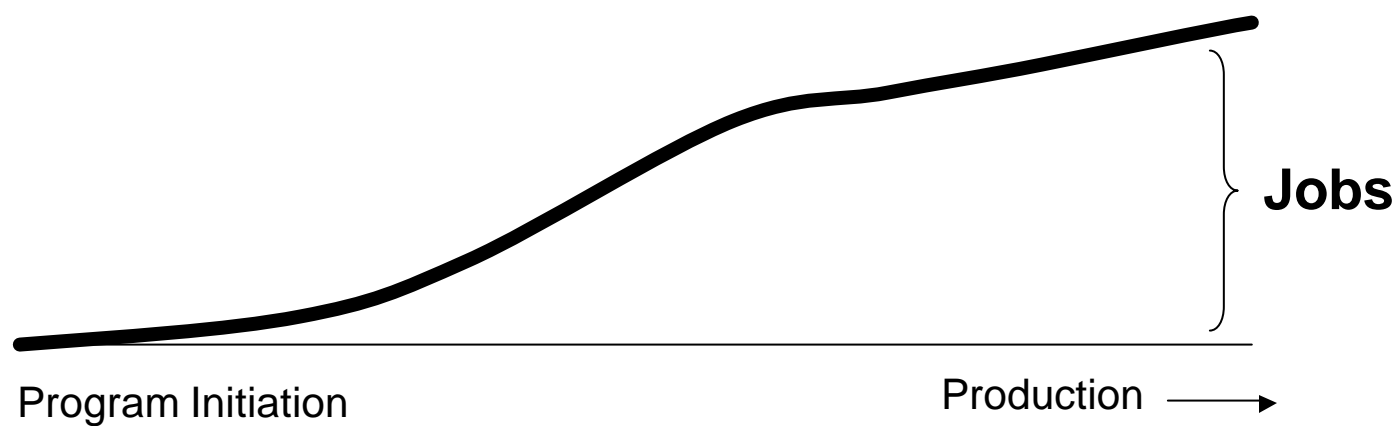


- Armored Systems





# Political Demands



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## Legacy System Demands

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- Cold War Doctrine
  - Culture
  - Careers
  - Infrastructure
  - Contractors/Jobs
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# Transformation Demands

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- Reduce Risk of Casualties
    - Stand-off Precision Weapons
    - Unmanned Vehicles
  - Mobility/Deployability
  - Homeland Defense
    - National Missile Defense
  - Network Centric Warfare
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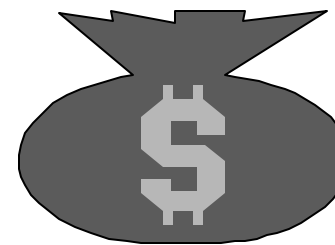
# Conclusion

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## Demands



## Resources



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# Options

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- Traditional Approach
    1. Bottom-up
    2. Tactical in nature
    3. Seeks to meet all demands through rosy projections and stretch-outs
    4. Incremental change
  - Strategic Approach
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